DOCUMENT RESUME

ED 077 795 SO 005 654

TITLE	Press Conference with Elliot L. Richardson, Secretary of HEW.
INSTITUTION	Department of Health, Education, and Welfare, Washington, D.C.
PUB DATE	18 Jan 73
NOTE	32p.
EDRS PRICE	MF-$0.65 HC-$3.29
DESCRIPTORS	Citizen Role; Educational Programs; Federal Government; *Federal Legislation; *Federal Programs; Futures (of Society); Government Role; Health Programs; *National Programs; *Program Coordination; Social Problems; Social Responsibility; Social Welfare; Welfare Services
IDENTIFIERS	*Department of Health, Education, and Welfare

ABSTRACT

Two documents were released to the press on January 18, 1973, by Secretary Richardson, one summarizing his term of office as Secretary of Health, Education, and Welfare, and one reporting on HEW potential for the seventies (SO 005 666, SO 005 699). In an introductory statement prior to the press conference, the question of whether or not we as a society can manage our human resource development is raised. The crisis of performance within our institutions, of resources, of equity, and of control, has become a crisis of confidence. A new approach to HEW and to social problem solving is seen as necessary. Progress made in educational legislation, in social security benefit increase, and in other social reform legislation indicates that the department has benefited from changes in planning and management. Questions raised by the press dealt with revenue sharing, states' responsibility, comparisons between this and other countries' social welfare programs, desegregation, educational funding, mental health, medical research funding, and HEW administrative policies. In his answers, Mr. Richardson placed emphasis on progress made in legislation, further program achievements needed, and in the need for evaluation of programs at all levels to ensure efficiency in planning, in placing priorities and in continuation of efforts. (JMB)

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PRESS CONFERENCE

WITH

ELLIOT L. RICHARDSON

SECRETARY OF HEW

Room 5051
North HEW Building
Washington, D. C.

Thursday, 18 January 1973

The conference met pursuant to notice at 11 a.m.

SP005654

UNEDITED TRANSCRIPT

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#1

P R O C E E D I N G S

SECRETARY RICHARDSON: Good morning, ladies and gentlemen.

I was going to introduce this as my last press conference as Secretary of HEW. At the rate the Senate is going, I am not so sure.

(Laughter).

SECRETARY RICHARDSON: I can't guarantee, though, that I would generate between now and any even fairly prolonged additional period in HEW a whole lot more tc say than everything that you have already received here today. I will read a brief sort of general statement embracing some of the things in both of these two pieces of paper, one of which is a kind of retrospective summation of what I think has been accomplished, progress achieved, in the last two and a half years. The other one, the report on HEW potential for the seventies builds on the papers that we distributed about a year ago which I have been unable to think of otherwise than as my Castro speech; that, as many of you knew, grew out of a series of talks to departmental people in an effort to bring together comprehensively for their benefit, an overview of what it seemed to me important for us to try to do.

This paper is a -- in some senses a restatement and in some an updating of the earlier one and it attempts to look ahead toward the reshaping and redirection of HEW

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efforts.

So let me proceed now to a fairly brief prepared statement and from there we can go to your questions.

In June, 1970, when the President nominated me as Secretary of Health, Education, and Welfare, one newspaper headlined, "Question: Can Anyone Really Administer HEW?"

To my mind such questions are seriously off the mark. Administering HEW -- in the sense in which it is ordinarily understood -- is a relatively soluble problem. The more fundamental question in my mind is focused not on the managerial skills of an individual. The more fundamental question -- the question which is of primary concern to me as I leave HEW -- is whether we as a society can effectively manager our human resource development.

There is, in my opinion, a developing crisis -- still largely hidden -- facing the human service sector of our society, a crisis which may challenge the fundamental capability of our society to govern itself.

It is a crisis of performance -- in spite of our progress, our institutions are failing to live up to our rising expectations.

It is a crisis of resources -- and of equity. Budgets have spiraled upward, priorities have been reordered; yet to extend the present range of HEW services equitably to those in need would require seemingly impossible

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allocations of resources -- an additional 20 million trained personnel and an additional $250 billion, more or less, a sum equal to the entire federal budget.

It is a crisis of control -- in many fundamental respects the human service system is developing beyond the scope of executive control...or of congressional control...or of consumer control...or of public control. The legislative process has become a cruel shell game and the service system has become a bureaucratic maze -- inefficient, incomprehensible and inaccessible.

The crisis is, as a result, a crisis of confidence -- there is an increasingly pervasive sense not only of failure, but of futility. Not only is the capacity of our institutions challenged, so, too, is our regenerative capacity.

I am thoroughly convinced that the conceptual framework which has guided us in the past is no longer tenable. To fulfill our responsibilities, we must reconceive our approach to HEW and social problem-solving.

Today I am releasing my final report as Secretary of HEW, "Responsibility and Responsivenes (LL): A Report on the HEW Potential for the Seventies." The report elaborates upon my perception of the impending crisis. It proposes a radical simplification and clarification of our conception of the functions of HEW: first, providing financial assistance to individuals; second, providing financial assistance to

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states and localities; and third, building human resources capacity. And it suggests the direction of reform for each. The report is not a progress report; its emphasis is on the job which remains to be done.

There has, nonetheless, been much progress to which one might point with pride. The department has, I think, found a cohesive sense of purposes. Its planning and management systems have been strengthened. Its responsiveness has increased.

In the past year alone, we have seen the enactment of profoundly important social reform legislation: the Education Amendments of 1972 which provide the necessary authority to help ensure that all who wish -- regardless of income -- may enjoy the benefits of higher education; the Emergency School Aid Act which provides authority to aid school districts in achieving integration; the 20 percent Social Security benefit increase which, combined with the two previous benefit increases, marks the most rapid rate of increase in the history of the Social Security Program -- a 51.8 percent increase in less than four years -- along with the "cost-of-living escalator" provision which ensures that henceforth social security benefits will be inflation-proof; and the Social Security Amendments of 1972 which comprise a wide range of highly desirable reforms, the most significant of which is authorization of the new Supplementary Security

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Income program -- providing a nationwide uniform minimum income for the blind, the disabled and the aged poor.

In concluding, I wish to thank you, ladies and gentlemen of the press, for my association with you and for your efforts -- throughout my tenure as Secretary of HEW -- to report to the public in a manner which is accurate, informed, and balanced.

QUESTION: Mr. Secretary, your radical simplification that you call for includes granting more authority and more responsibility to state and local general purpose government. But also on the horizon is the prospect of fewer dollars for state and local governments. How do you sell this element of the new federalism to states and cities when you have to live with this reality?

SECRETARY RICHARDSON: Well, I think there are two things to be said about that. One is that the merits of this simplification itself do not stand or fall on the number of dollars channeled through the reformed structure. The case for simplification has to rest on the need for greater responsiveness and greater accessibility to influence of the process of choice by the people generally and the Congress.

As to the dollars, it is in a sense harder to sell if it should turn out that the gross number of dollars available for things that would now be folded into a simplified structure is less than it would be if you could in effect

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buy reform by saying you can get a larger amount of money if -- but only if -- the reform is enacted. There is another side and that is that if, given the constraints of a full employment budget, available revenues, and all the impeding claims against these revenues, there has to be a squeeze, then isn't it better for state and local authorities to be making choices based on their knowledge of needs at the state level than for those choices to be made by federal officials, whether in the Executive Branch or the Congress?

QUESTION: Mr. Secretary, my question is directed to the figures in your statement that go to the cost of all those potentially theoretically eligible for HEW programs, were actually to apply for and receive those benefits, what I would call the retardive device of the extreme case. In your previous post and in your present post you have had quite a bit of contact with other countries. How would you comment on the fact that a number of other advanced industrial countries apparently expend greater proportions of their public budgets and greater proportions of their gross national product on these same social welfare programs and yet their economies appear to be stronger than ours and their currencies are stronger than ours?

SECRETARY RICHARDSON: Well, they are non-comparable economies in a great many ways. They are also simpler societies, facing fewer social problems. They tend to be

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societies that are largely homogenous racially and that have not undertaken to achieve a good life and equality of opportunity for nearly such a wide range of peoples assembled in such a long series of historic actions bringing within the borders of the U. S., in addition to those who chose to come here, a lot of people who did not.

The point, in any event, is not one of -- it seems to me -- of what is a given level of what is done in other countries and what is done here. In, for example, some of the countries with the most elaborately evolved health insurance systems which are good at dealing with critical illness, there are very serious back logs, worse than in the U.S., for elective procedures, mental health services, rehabilitation services, and so that the problem really is one that derives from what the American people have come to feel should be accessible to them.

Take, for example, as one of the illustrations underlying these projections, community mental health services. I am -- have long been a strong believer in that program, and yet only about 20 percent of the population of the U.S. now lives within this service area of a community mental health center, so the kind of figure that is involved here is the figure that is the amount of money that it would cost if the entire population lived within such a service area.

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When you look, for example, at mental retardation services, another example, we have a range extending all the way from barely more than custodial care to places that respond to the opportunities for the maximum self-development of the retarded child, humanly and with the best available knowledge about teaching and psychology testing and with enough people to work lovingly with each child.

Now the American people would clearly hope and expect that we ought to be able to do that, but to do it costs vastly more than what we are now spending per retarded child.

Or mental health services. We have had suits in some states insisting upon treatment and that means presumably more than merely token treatment, actually to provide the kinds of levels of psychiatric care that are provided in a few high quality institutions, in all mental health institutions, would involve not only more money, but vastly increased numbers of people; and so what I have given here is a kind of ballpark estimate of what the projection would take you to.

In case not all of you are students of the thoughts of Richardson --

(Laughter)

SECRETARY RICHARDSON: -- I want to stress why I use this figure, these projections. It isn't because I am

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saying the American people ought to be content with where we are and not struggle to do better, to extend higher quality care to more people. The thing that worries me is that not enough people are aware of the necessity of choice among competing claims and real needs, because even if we were prepared to tax ourselves to the limit, you couldn't produce the people quickly required to meet optimal or even good standards for all those theoretically eligible.

So one of the things -- and this is the point I made over and over again -- one of the consequences of unrealistic expectations is frustration with the processes of government; erosion of confidence in government; alienation.

And what I have argued over and over again is that to deal with the problem of frustration with government and alienation, we need to make clearer to people why we cannot do everything at once, why all their expectations cannot be met today or the day after tomorrow.

I think people can and will understand and accept it if they are leveled with on this score; and that essentially is what I am trying to do.

The simplification -- I -- you know, I note references to slashing funds and so on. That isn't what it is about. If they have to be squeezed because of the overall budgetary problem and the increases in some directions and the uncontrollable programs of the department, that is a --

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that is a -- that is a touch decision to have to make and we would hope that revenues as they arise will help to offset that; but the point of all this is that people are effectively shut out of the process of choice when the choises involve 310 different department programs. What well -- reasonably well-informed and concerned citizen can be expected to go through that kind of a budget and ask him or herselves, you know, are they putting the money in the right pocket? The Congress can't do it, either. The Appropriations Subcommittees, in the first instance, don't even pass on the amounts required by the uncontrollable programs; and yet a legislative action in an authorizing committee, and it may be an overwhelming voice vote, can mortgage billions of dollars for the indefinite future.

So the point of this is that in order for the Congress itself and citizens generally to be in a position to see more clearly what choices are necessary and to exercise a stronger and clearer voice in making them, then it becomes necessary for the structure itself to be simplified so people can look at it to -- well, I don't want to repeat the whole bit. That is the -- what I am really talking about.

QUESTION: Mr. Secretary, in some areas choices aren't always possible. To get into a specific aspect of your stewardship, how do you account for the fact that a Federal Court has been able to find recently that funds

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continue to flow to segregated schools and colleges in light of a congressional directive in the 1964 Civil Rights Act to cut off funds to schools that are segregated; and that your department and the Justice Department can argue to the Court that to do this would require too much manpower and a diversion of resources from other resources, from other social programs? Is this a trade-off you are even allowed under the law to make?

SECRETARY RICHARDSON: Well, Craig, the problem in a lot of areas is that the rate at which you can move is a function of available manpower. The Office of Civil Rights has been the most rapidly expanding component of the office of the Secretary. We have made substantial increases and the Congress has given us the money for substantial increases each year I have been here for compliance personnel. They are not only involved in the problems of school desegregation, they are involved in the equality of access to hospital beds, they are involved in contract compliance, they are concerned with the equality of rights in the employment of women in universities, and while the -- there have been things that we haven't found in the desegregation process, where our school systems are concerned, nevertheless these are comparatively small residual problems.

Some of them derive from the implementation of the court decisions in busing and the question of the eventual

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mil congressional action on this front; and so -- no, I would -- from my own point of view, while I would like to see us do more, and I am sure more will be done, I think it is nevertheless noteworthy that for all practical purposes the dual school systems in the U.S. were all but completely dismantled during the last two and a half years.

QUESTION: Mr. Secretary, how do you explain your own failure to solve what you call this crisis, especially your failure to get either the welfare reform or the health insurance programs through?

SECRETARY RICHARDSON: Well, let's not mix up unrelated things. The crisis I have been talking about so far this morning, and that I referred to in my opening statement is a crisis deriving from the problem of rising expectations, complexity in government, proliferation of programs, and the inability of people to exercise an effective voice in the process of choice among competing claims. That is the crisis; and the proposals that I have made deal with opening up this process through simplification.

Now, welfare reform is related to this to the extent that one way of simplifying the process of choice is to take certain choices out of the hands of government entirely and ask individuals to make them for themselves. This is what you do when you cash out a benefit in kind like food stamps or housing subsidies and give people the money;

il and then they decide how they will use it and you no longer have a government administered food stamp program or a government administered housing subsidy program. You have a government administered income maintenance program.

So you have, to that extent, simplified the structure. Now it is under this heading that welfare reform comes; and on welfare reform, I would say that we not only scored our greatest failure of my tenure, but also our greatest success.

The Administration proposals for reform of the family category of welfare, of course, did not succeed. The effort was an important one and I trust that in one form or another it will continue.

In my proposals for departmental structural simplification, I have suggested an approach to this, but the other half of the welfare reform proposal also represents, I think, the most significant legislative achievement of my tenure in the department. This was the reform of the federal -- of the adult categories, which in an ordinary legislative context would have seemed like a monumental achievement in itself.

QUESTION: Mr. Secretary --

SECRETARY RICHARDSON: Excuse me.

QUESTION: Two questions, Mr. SEcretary. In your statement you say that we have made emergency school

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il assistance grants to nearly a half billion dollars to pass desegregation. It is my understanding that not -- that that amount of money has not yet been allocated, that a much smaller proportion of that has actually been allocated. Could you explain?

And the second part, yesterday Mr. Weinberger told the Senate Labor Public Welfare Committee that HEW did not have -- nor the President have the authority to impound education funds and he said no education funds have been impounded. What is your interpretation of his remark? What does he mean by impoundment? What has HEW's policy been towards impoundment?

SECRETARY RICHARDSON: Where is the half a billion reference?

QUESTION: The HEW release, page 6.

SECRETARY RICHARDSON: No. That isn't accurate. We will have to correct that. The -- it should refer to the processing of applications, but you are right. We haven't made nearly that amount of actual grants.

On the matter of impounding money, the Administration has never sought to impound money distributable under any formula grant to states and localities and that money has always gone out; and that, of course, accounts for the great bulk of all the money we have for education. It is possible to hold up money allocated on a project basis.

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There have been sometimes delays in the apportionment of the appropriation, that is action which makes it available to be obligated and spent, but not at any time during my period here or as far as I recall in Bob Finch's, has the Administration actually blocked the obligation for the expenditure of any educational appropriations.

QUESTION: And you agree with him you do not have the authority to do so?

SECRETARY RICHARDSON: Well, I think we would have the authority to defer project spending and we would have the authority to defer construction grants, for example; but I don't think that -- I don't know. We get into technical uses of language at that point. In any event, we haven't done it except in the case of construction, mostly health construction; and there has been deferment only until a later point.

QUESTION: Mr. Secretary, you called the legislative process, that it has become a cruel shell game. Could you give us any specifics of any cruel shell games you have run into on the Hill?

SECRETARY RICHARDSON: Yes. I am glad to have the opportunity to comment on that because the -- I don't mean to charge the Congress with deliberately trying to con people, but the process has this result in effect.

One of the easiest things in the world is the identification of an "unmet need." Any individual or group can point to the fact that we aren't doing enough about something or other, and an interested Congressman can then, if he is sold on this, introduce a bill to establish a new national institute to deal with the problem in a categorical funding structure to distribute money around.

There may be, let's say, $200 million authorized in the first year and 300 million in the second year, 400, 500 the next subsequent years. Now, that committee isn't charged with the question of where the money is going to come from or what it is going to come out of, so the -- and the Congressman or the committee -- this isn't charging bad faith, it is in a perfectly good position if he is taxed with that position to say it will come out of a lower priority

What is a lower priority? Something that doesn't affect his district. That is one possible answer.

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If he comes from an urban area he can say it should come out of a farm program. If it is a farm area it ought to come out of urban renwal or either one can say it ought to comeout of defense. But they don't have that responsibility.

This is in turn a reason why the gap has been growing constantly between authorization and appropriations.

One of the things I have pointed to as contributing to the process of alienation and disillusionment.

When President Kennedy was elected the gap between HEW authorizations and appropriations was about $200 million. Last year it was about 6 billion. In the next fiscal year it will be about 13 billion.

And what I mean by the shell game in effect is a process that seems to be responsive to a problem or a need, but when you look to see what is under the proposition there may be not very much there.

Another aspect of it is the underfunding of the proposal from the outset. Take, for example, the nutrition program for the elderly. This is not a partisan observation because -- although it was Senator Kennedy's bill, the President promptly signed it and promptly requested $100 million to fund it and both Senator Kennedy and the Administration have taken some credit for this.

In that case, as I say, the full authorization was requested but at the end of the year, at which point we

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would be spending at the rate of $100 million, we would be reaching only 5 percent of the eligible elderly people; 95 percent of them aren't getting free hot meals; and this is the kind of problem I am pointing to here.

QUESTION: Mr. Secretary, I wondered whether you discussed that shell game concept with respect to some of the administrations. Your own, you have alluded to already.

For example, the emergency school aid. Now, that was an administration emergency school aid. As I recall, that was an administration proposal, not something raised on the Hill.

Your figure was a billion and a half. By the end of next year it looks like only about 250 million would be spent. How do you in effect -- haven't you in effect raised expectations which you haven't succeeded in following through on?

SECRETARY RICHARDSON: We still intend as far as I am aware to seek the full appropriation under that legislation. Of course, it got underway, it got enacted later than was originally proposed, as you recall, in May of 1970; and it finally went through in August of 1972.

It was impossible to receive applications from school systems and examine them and fund them in time for the school year 1972-73. So what we -- we got in an initial supplemental appropriation, and what we will be

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seeking in the '74 budget is money to move forward principally in the school year '73-'74; but we do intend to, as far as I know, seek the full appropriations and we do believe that the requested ceilings are high enough to do this particular job.

QUESTION: Full appropriations would be for the coming year at least 500 million. You intend to seek 500 million?

SECRETARY RICHARDSON: Actually, how it splits between the initial supplemental appropriation and the coming years I am not quite clear at the moment. We are getting into the budget. The answer is substantially yes.

QUESTION: That was labeled an emergency program and you are not discussing it in a sense of urgency about getting money out of them. Isn't this really an example of an executive shell game, of an expectation raised and initiated by the Administration, and vitiated by the Administration itself?

SECRETARY RICHARDSON: I think whatever may be the vulnerability of the Administration on this score -- and I don't think -- I could give you more of an argument, but I would rather get to the more central point that it is a different -- it is a distinguishable problem.

There we identified what the Administration believed to be a significant need. It is fair to say that

the problem was quite a different one when the President originally proposed this legislation. We were moving then into a period of the most intensive desegregation of Southern schools in the school year '70-'71 and '71-'72.

The emergency label was attached in the hope that the money would be authorized and appropriated in time to help that process which it never was.

In any event, we addressed what we thought was a problem and we sought authorization to deal with it and we have asked for money proportional to the authorization, all as part of a total budget which said that, yes, we think this problem is significant enough to include the money for it together with the money to include for other things, mental retardation, community mental health services, biomedical research, adult education, funds for welfare and so on.

The shell game I am talking about is one in which no one on the Hill ever undertakes to weigh all of the competing claims against each other and the proponent of a particular need or concern and a particular categorical piece of legislation is always able to justify whatever may be the dollar authorization in his piece of legislation by saying that some other need over which he has no responsibility can be offset in order to meet his particular concern. That is what I am talking about. That kind of exercising cannot take place in the Executive Branch because the Executive

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Branch does have to submit a budget.

I have argued, as many people have, and I hope the Congress will come to the point when it does have the mechanism of its own to do this -- and, by the way, speaking of misunderstandings, I have tried to deal with the concerns, the charge that this restructuring of the departmental programs is a cover for cutting which it is not.

I also don't want to be misunderstood on -- on seeming to assert the superior wisdom of the Executive Branch. I am not. On the contrary, as I hope I have made clear, the whole purpose of this -- the thrust of this effort is to open up the process so that both the Congress and people generally can get into the act.

As it is now, a budget which deals with 310 programs has to be largely an exercise carried out by Executive Branch people and by a handfull of people in the appropriations subcommittees.

QUESTION: Mr. Secretary, much has been -- much has been rumored lately about a so-called MEGA proposal which I understand has subsections for, say, for instance, education revenue sharing. Does this document discuss that proposal and could you comment on the possibilities for those particular packaging plans?

SECRETARY RICHARDSON: Well, first, I should point out that a good deal of what we have been talking about here

this morning involves the so-called MEGA proposal.

I offered a price, by the way, for a better game, but --

(Laughter.)

I am afraid we are stuck with it now.

(Laughter.)

Beginning on page 45 of this report on the potential for the '70s is a discussion of this in broad terms and it does involve three major components, one of which would be special revenue sharing. That is the part that seeks to simplify and reduce the number of decisions that has to be made at the federal level by remitting the more of the choices to state governments and local governments.

QUESTION: We understood that at least the education revenue sharing proposal had been fairly well outlined even to the point of coming up with a budgetary total of approximately $3.8 million. Is there any particular chance that that proposal will see the light of day any time soon?

SECRETARY RICHARDSON: The education revenue sharing proposal is -- the education part of the revenue sharing is substantially what the Administration already proposed to the Congress in 1971. It would be very little changed in this package.

The new parts involve health and social services.

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QUESTION: Mr. Richardson, Mr. Weinberger referred both in the Finance Committee and in the Labor and Public Welfare Committee to the fact that 94 percent of HEW's budget is uncontrollable. How realistically can the Administration hold out programs of solving any new problem with only 6 percent of the budget under its control?

SECRETARY RICHARDSON: Well, again, I will have to try to give you a picture of the overall structure of what I am talking about. It would have three major parts: income maintenance, revenue sharing, capacity.

Now, the income maintenance part of it includes all or -- I guess -- I was going to say substantially all, but it really includes all of what would go into income maintenance. The uncontrollable part of the HEW budget are social security benefits, income payment, Medicare, Medicaid and federal matching public welfare payments.

Now, the approach that is involved here would not purport to make the whole process of allocation subject to the Executive Branch budget process. The whole point of it is to enable people more generally to see where their money is going.

The income maintenance part of it would include social security benefits as they are now, more or less, of no personal recommendations at this point to improve them any more. It would include Medicare, either as it now stands

or as absorbed into a more compehensive health insurance proposal.

It would include Medicaid funds but in a -- as part of a new health insurance proposal. And it would include welfare benefits, hopefully in two parts, the adult categories which are now part of the supplementary income program administered by the Social Security Administration and hopefully a new reformed family program.

Most of that would be uncontrollable in the sense that the Executive Branch of the appropriations committees were not able to reduce or affect the amount of money required, but if you looked at the income maintenance programs as a group and then looked at the special revenue sharing programs as a group and then looked at these remaining functions in which the federal government was seeking to exercise leadership in addressing critical problems that wouldn't otherwise get enough attention, which is capacity building, then you have a structure in which hopefully both the Congress and the Executive Branch and concerned citizens could jointly debate about how much ought to go into these different kinds of purposes.

QUESTION: Mr. Secretary?

SECRETARY RICHARDSON: Yes?

QUESTION: I have a couple of questions relating to a new -- you spoke of a new screening and treatment

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program for hypertension recently and I wondered if you could describe the scope of this program, where it is on the drawing boards, and also I believe the figures say that ten times as many blacks suffer from this as whites.

Is there any effort to concentrate on treating hypertension or screening in the black community and where might you compare the effort going behind hypertension with the effort that went behind sickle cell anemia?

SECRETARY RICHARDSON: You are right about the problem in the black community; and in terms of death, as I said in a speech to the National Medical Association in St. Louis last summer, the number of deaths among people in the black community that are the result of or associated with hypertension are vastly greater than the number attributable to sickle cell disease. I think it is on the ratio or something like 12,000 or 13,000 deaths a year from hypertension, not counting related cardiovascular disease, in the black community as against perhaps 300 or 400 for sickle cell disease.

So the -- there is a very urgent need to reach the black community, especially with an awareness of the importance of the blood pressure determined.

The great advantage of dealing with this problem is that whereas in the case of sickle cell disease we don't have a cure or even a very good maintenance program; in the

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case of hypertension there are established forms of medication that cannot only keep it under control, but have been demonstrated to be able to reduce the death rate and the stroke and serious illness rate radically, perhaps to a third or a fifth of its rate among people who are not receiving medication.

So what we -- we have looked at the problem of hypertension therefore as a problem of public education in the first instance and education of the medical profession and health professionals generally to encourage people to have their blood pressure taken to know how to -- what to tell them if their blood pressure is elevated so as not to create undue alarm and to inform them as to the availability of tested and effective drugs for dealing with the problem.

So we formed a committee in June which was a hypertension education and advisory committee. I met with them at the National Institutes of Health and they have been working since then and have developed a program of public education.

There was another conference on this here this week which picked up from where the education advisory committee left off and involved a lot of the other groups and organizations to discuss their part in all this.

We have earmarked funds for the federal share of cost and development of educational materials and so on.

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But the exciting thing about this effort is that it is a matter simply of reaching people for the purpose of encouraging them to find out whether they have hypertension or not; and if they do have it, then assuring that they get needed medication. But it is an effort that could vary practically and foreseeably reduce the deaths from hypertension from the current rate of 60,000 a year nationally to the order of maybe -- certainly under 20 and maybe 15.

QUESTION: Mr. Secretary, do you expect the Secretary-designate Mr. Weinberger to act favorably on this new approach in the so-called MEGA plan and in particular on national health insurance?

SECRETARY RICHARDSON: I think he is -- he supports and is sympatehtic with the general thrust of the proposal. I don't know where he is going to come out on health insurance and it isn't really integral to the MEGA proposal itself, what choice you make about the kind of health insurance program you have.

We submitted an alternative to our 1971 program that I think in effect more logically carries out the overall thrust than what we proposed before. It wouldn't undercut the merits of the overall structure if the Administration were to decide to go with something a lot closer to what we had last time.

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QUESTION: Are you referring to the maximum

liability plan?

SECRETARY RICHARDSON: Maximum liability approach is the one that I said that we had proposed an alternative to.

QUESTION: Mr. Secretary --

SECRETARY RICHARDSON: This girl here.

QUESTION: Senator Mondale's committee has just released a report from extensive test ranges of two and a half years, a study on equal education opportunity in which one of the findings says the debate on busing has been misleading and containing the interest or real thrust of the problems in equal education.

Since the Administration has contributed considerably to the debate on busing, could you comment?

SECRETARY RICHARDSON: One too many questions.

(Laughter.)

I think the Administration was addressing a matter of very real public concern. Certainly all you have to do is look at public reactions in communities where massive busing for purposes of racial balance is being proposed or required to see that people do feel very strongly about this.

The President certainly didn't invent their concern, nor do I think it can fairly be said that he significantly increased it. I think he sought to address constructively a problem that was very real in a way that kept the

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Administration's eye firmly fixed on the overall objective of equality of educational opportunity.

I think what we are seeing and have been seeing is a process involving individual citizens, all levels of government, all branches of government in coping with this and I think that out of it will come characteristically in this country a way of handling it that will have been constructive.

QUESTION: Do you disagree it has been a misleading debate?

SECRETARY RICHARDSON: Yes, I disagree.

QUESTION: Mr. Secretary, Mr. Weinberger is coming over to cut the fat from the department -- if he is -- and I guess we have the word of the President that he is -- it seems to me you either have to admit that you failed to cut the fat from the department or that maybe more radical surgery is being planned than the body can withstand. How say you?

SECRETARY RICHARDSON: I don't really think that it is an accurate characterization of Mr. Weinberger's advent here or mission that he has come over to cut the fat. The HEW budget has been wrung pretty hard already as a result of the problems coming between the rock of revenue production and the hard plays of expenditure claims; and Cap Weinberger, after all, was in a job where the problem of how to fit a lot

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of things into the full employment revenue ceiling, landed on his desk.

All the -- you know, I don't know what the excess of all the departmental agency claims for fiscal '74 was, at the point where they came to him, but it was surely in the scores of billions.

Now, nobody would accuse this Administration of being unwilling to run deficits.

(Laughter.)

But our deficits have been -- or we have tried to hold them within what I think is a rational approach to budget making, of what could be justified by the full employment approach; and somebody had to do that.

On -- more specifically, on the matter of squeezing fat, I don't honestly believe that there is a lot of fat in the sense that you could just do what the department does now with substantially newer people. In fact, the departmental programs, both in number and in expenditures, have grown over the last five years or more much more rapidly than the numbers of department people have, and this has only been accomplished through substantial increases in productivity per employee, especially at the Social Security Administration.

So that what is really involved is the question of what ought the federal government to be doing and what programs are working best and what aren't working so well.

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This is why I have from the beginning of my own arrival here emphasized the importance of evaluation. First of all, the effort to improve our capacity to reevaluate in order to know what is working and what isn't; and secondly, to apply the process of evaluation more consistently so that more intelligent choices could be made.

But, again, some of these choices are avoided if you follow the special revenue sharing rule and the process of evaluation then has to take place at the state level where I think they can better tell whether or not they are getting the results or could that they want to get.

So if that route is followed, then the question becomes a question of how much can you afford to put into the special revenue sharing channel; and again it isn't a question of cutting, it is a question of restructuring, it is a question of where choices are made and a question of what the overall budget can afford for HEW's share.

Okay? Thank you all very much.

(Whereupon, at 12:08 p.m. the press conference was concluded.)

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